

MINUTES ADOPTED BY CITY COUNCIL

Greenville, NC
January 28, 2006

The Greenville City Council met in a regular meeting for its annual planning session on the above date at 8:00 AM at Carver Library, with Mayor Robert D. Parrott presiding. The meeting was called to order, and the following were present.

Mayor Robert D. Parrott
Mayor Pro-Tem Mildred A. Council
Council Member Ray Craft
Council Member Pat Dunn
Council Member Rose H. Glover
Council Member Chip Little
Council Member Larry Spell
Wayne Bowers, City Manager
Wanda T. Elks, City Clerk
David A. Holec, City Attorney

APPROVAL OF AGENDA

Motion was made by Council Member Dunn and seconded by Council Member Spell to approve the agenda as presented. Motion carried unanimously.

CAPITAL PROJECTS UPDATE

Mr. Tom Tysinger, Director of Public Works, gave a status report on major capital projects currently underway as follows:

1. Administrative Facilities. The \$11.1 million project involves an expansion/renovation to the existing Greenville Utilities Commission building and renovations to the Municipal Building. The entire construction of the Greenville Utilities Commission building expansion and the City Hall renovation is 60% complete. The items left to be done in the Greenville Utilities Commission building expansion include IT, A/V and security installation, and furnishings procurement. The anticipated completion date for the Greenville Utilities Commission expansion/renovation is May 2006. The anticipated completion date for the Municipal Building renovation is December 2006.

During discussion of this item, the naming of the two facilities came up, and the consensus of the Council was for the renovated and expanded Greenville Utilities Commission building to be called "City Hall" and that the old Municipal Building be called "Municipal Building."

2. Fire/Rescue Station No. 6 and Training Center. Fire/Rescue Station No. 6 has been completed and has been occupied since October 2005. The training facility is 80% complete and is expected to be completed in February.
3. Carver Library. This \$1.2 million project included a 4,200 square foot expansion and renovation of the existing building. It was completed August 2005.

During discussion of this item, the Council Members expressed concern about the limited time that the Library is currently open. Mayor Parrott informed the Council that the Director indicated that he was going to try to make arrangements for the Library to remain open until 8:00 p.m., instead of closing at 6:00. Also, if people wish to have special meetings when the Library is closed, those arrangements can be made.

4. Greenfield Terrace Community Building. This \$400,000 project included a 4,000 square foot multi-purpose building and a 1,000 square foot covered porch. It also included a restroom and warming kitchen. The project was completed in April 2005.
5. Greene Street Bridge. This \$1.225 million project involved relocation of the historic truss bridge from Tar River to Town Creek, along with constructing pedestrian walkway and overlooks. It is a future connector to the South Tar River Greenway. This was a North Carolina Department of Transportation Enhancement Project that was completed in June 2005.
6. Greene Street Streetscape. This \$525,000 North Carolina Department of Transportation Enhancement Project involved relocating overhead utility lines underground, constructing sidewalks and providing landscape/screening. The contract was awarded December 2005 and the construction is scheduled to be completed August 2006.
7. Tenth Street Connector. This project, which is close to a \$20 million project, involves a local commitment of \$6 million (\$2 million each from the City, East Carolina University and Pitt County Memorial Hospital). The City is asking for \$5 million through earmarks for this project. Even though the cost is more than was originally planned for (\$18.5 million), the local commitment will remain the same. This project extends Tenth Street from Dickinson Avenue to Memorial Drive at Stantonsburg Road. The planning and environmental studies are currently underway. Two-day workshops are being conducted to inform people about this project and to obtain input. The planning/design is scheduled to be completed October 2009; right-of-way acquisition is scheduled to begin October 2009; and construction is scheduled to begin Fall 2011 and be completed Fall 2013.
8. Storm Drainage Improvements. The design contract for the \$5.1 million project was done in April 2005. Construction of Phase I, scheduled for FY 05-06, will include Village Grove/Chestnut Drainage Area, Skinner Street Culvert and Drainage Ditch, Dickinson/Chestnut Area, and Sylvan Drive Area. Construction of Phase II scheduled for FY 06-07 will include Red Oak Drainage Area, Westhaven Subdivision and Colonial Heights Subdivision.

Mr. Tysinger gave the status of other major projects as follows:

1. Thomas Langston Road (soon to be under design)
2. West Third Street (under “in-house” design)
3. Guy Smith Park Improvements (complete)
4. Oakdale Park Improvements (design complete, bids received)
5. Regional Medical Center Enhancement (under construction. Pitt County Memorial Hospital is paying the local match on this project.)
6. Charles Boulevard Enhancement Project (75% complete)
7. South Tar River Greenway (under design)
8. Sidewalk Construction Program (under construction. East Carolina University, Pitt County Memorial Hospital and the City are sharing the cost of almost \$600,000 for this project.)
9. Crepe Myrtle Holiday Parking Lot (complete)
10. Intermodal Transportation Center (feasibility study near completion)

CAPITAL IMPROVEMENT PROGRAM 2006-2011 PREVIEW

Mr. Tysinger stated that the estimated cost of all projects for the FY 06-11 Capital Improvement Program are \$146,253,132, and those just for FY 2006-07 are \$30,704,143. The estimated cost for the FY 2005-10 Capital Improvement Program is \$136,934,935, and the estimated cost for FY 2005-06 in the five-year Capital Improvement Program is \$28,197,209. Critical projects included in the FY 2006-2011 Capital Improvement Program are:

1. Fire/Rescue Station No. 7 and equipment
2. Fire/Rescue Station No. 8 and equipment
3. New technology—system upgrades and expansion, city-wide network expansion, and software for public safety upgrades
4. Southwest and Northwest Branch Libraries (Council Members questioned how the County would contribute to this. City Manager Bowers explained how the Council will have conversations with the County Commissioners before these libraries are fully funded.)
5. Center City Revitalization Program (\$1.25 million has been designated for this project thus far—70% for design and 30% for construction.)

6. 45-Block Revitalization Program (During discussion of this item, Council was encouraged to look into the HOPE Project in Charlotte to see how the City may be able to provide affordable houses for citizens.)
7. Radio System Replacement for the Police Department
8. Heavy Equipment
9. Parking Deck #1
10. Stantonsburg Road/Tenth Street Connector
11. Tobacco Road Extension
12. Thomas Langston Road Extension
13. Street Resurfacing
14. Storm Drainage Improvements
15. South Tar River Greenway
16. Green Mill Run and Parkers Creek Greenways
17. Transit and Transportation Center
18. Recreation and Parks Comprehensive Master Plan
19. Fire Tower Road Park
20. Expansion of H. Boyd Lee Park
21. Renovations to the Greenville Aquatics and Fitness Center

Mayor Parrott brought up that the Parks and Recreation Trust Fund (PARTF) grant application that the Recreation and Parks Commission has completed has not been signed. He expressed concern about submitting the application since it commits the City to maintaining the Aquatics and Fitness Center as a recreation facility “forever”.

Director of Recreation and Parks Boyd Lee stated that the grant being applied for is a \$500,000 grant, and the Eastern Carolina Vocational Center is willing to deed the property to the City to make the match in order for the grant to be successful. The property would be donated to the City as a recreational facility and the City would renovate it with \$500,000 from the State and upgrade the facility. It would be a new recreational facility. The State says that it must be maintained for a recreational activity. It doesn't mean the City has to operate at the level of an aquatics and fitness center. It could be like Elm Street Gym. The City will be getting a free recreational facility and not having to pay for it. Mr. Lee stated that if the City is planning to

keep the facility open, it is going to have to be upgraded. At the time the facility was originally opened, it was the only facility of its kind in Greenville.

After extensive discussion about the pros and cons of continuing to operate the facility, Mayor Parrott stated that the Council has already approved submission of the grant application. If the Council desires to not have the application submitted, such a motion is needed. No motion was made.

City Manager Bowers stated that he would schedule a time when the Council could have discussion about the future of the Aquatics and Fitness Center. This needs to be done prior to receiving word from the State about the status of the grant application.

MID-YEAR FINANCIAL UPDATE

Director of Financial Services, Bernita Demery, informed the Council that the projected revenues for FY 2005-06 were \$65.7 million, and to date, \$32.7 million has been received, which is 50% of the annual budget. The projected expenditures for the fiscal year were \$65.7 million, and \$26.2 million has been spent to date, which is 40% of the annual budget. The revenues are .5% under budget, and the expenditures are 20% under budget. The leading sources of revenue are property tax (49%), sales tax (14%), utilities franchise (6%), Greenville Utilities transfer (6%), and refuse fees (5%). The property taxes that had been received at this time last year totaled \$15 million, and this year it is \$16.1 million. The annual budget for property taxes is \$22.3 million. The assessed value of property in Greenville was \$2.83 billion as of June 30, 2002, and that number has risen to \$3.8 billion as of June 2005.

Ms. Demery provided a comparison of property taxes in comparably sized cities: Greenville (\$.56), Concord (\$.43), Gastonia (\$.54), Asheville (\$.53), and Jacksonville (\$.59). She stated that sales tax has been received for four months of the fiscal year (from July through October 2005). For this period of time last year, the sales tax figures were \$3.9 million and during the first four months of this fiscal year, they have been \$4.4 million. The annual FY 2005-06 budget for sales tax is \$12.4 million. There is projected to be a 12% increase in sales tax over FY 2004-05; FY 2004-05 had a 13% increase over the previous year. A projected 16% increase is projected in the utilities franchise fee, and there was a 4% increase last year. Refuse fees are projected to increase two percent over last fiscal year, and last year showed a two percent increase over the year previous to that. The budget for the refuse collection is \$3,950,000. During FY 2002-03, the backyard collection rate went from \$12 to \$17, and the curbside rate went from \$5 to \$8.

Ms. Demery stated that the projected investment earnings for FY 2005-06 is \$875,000, based on the current rate of return. Expenditures at mid-year were \$26.2 million. The expenditure categories with percentages are Police (29%), Public Works (19%), Fire/Rescue (17%), Recreation and Parks (8%), Information Technology (5%), and Other (22%).

Increases and decreases in the budgets of various departments over the last several years are:

- Police Department--FY 2005-06 showed a 12% increase over FY 2004-05; FY 2004-05 showed a 10% increase over FY 2003-04; FY 2003-04 showed an 8% increase over FY

2002-03; FY 2002-03 showed a 5% increase over FY 2001-02; and FY 2001-02 showed a 7% decrease from FY 2000-01.

- Public Works Department--FY 2005-06 showed a 2% decrease from FY 2004-05; FY 2004-05 showed a 2% increase over FY 2003-04; FY 2003-04 showed a 9% increase over FY 2002-03; FY 2002-03 showed a 6% decrease from FY 2001-02; and FY 2001-02 showed a 4% increase over FY 2000-01. FY 2001-02 is when the Stormwater Fund was added.
- Fire/Rescue Department--FY 2005-06 showed a 11% increase over FY 2004-05; FY 2004-05 showed a 9% increase over FY 2003-04; FY 2003-04 showed an 8% increase over FY 2002-03; FY 2002-03 showed a 7% decrease from FY 2001-02; and FY 2001-02 showed a 9% increase from FY 2000-01. FY 2005-06 is when Fire/Rescue Station #6 was added.
- Recreation and Parks Department--FY 2005-06 showed a 2% increase over FY 2004-05; FY 2004-05 showed a 16% increase over FY 2003-04; FY 2003-04 showed a 13% increase over FY 2002-03; FY 2002-03 showed a 1% decrease from FY 2001-02; and FY 2001-02 showed a 9% decrease from FY 2000-01. FY 2004-05 is when the Sports Center was added.
- Information Technology Department--FY 2005-06 showed a 38% increase over FY 2004-05; FY 2004-05 showed a 50% increase over FY 2003-04; FY 2003-04 showed a 20% increase over FY 2002-03; FY 2002-03 showed a 20% decrease from FY 2001-02; and FY 2001-02 showed an 11% decrease from FY 2000-01. Telecommunications was added during FY 2004-05.

Ms. Demery concluded by giving the following debt overview:

DEBT OVERVIEW						
	5-Year Horizon					
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Total Bonds, COPS, and Leases	\$6,864,227	\$6,558,558	\$6,365,225	\$6,594,238	\$5,959,602	\$5,479,836
General Fund	4,913,820	5,252,407	5,095,336	5,373,166	4,848,033	4,486,539
Convention Center	538,415	537,815	536,815	535,415	538,246	427,613
Bradford Creek Golf Course	187,854	183,502	171,634	164,777	160,425	156,073
Powell Bill Fund	150,927	107,986	84,591	76,792	0	0
Public Transportation Fund	5,976	0	0	0	0	0
Stormwater Utility Fund	67,235	476,849	476,849	444,087	412,897	409,613
Total All Funds	\$5,864,227	\$6,558,558	\$6,365,225	\$6,594,238	\$5,959,602	\$5,479,839

Ms. Demery explained that the existing debt is \$66 million; there will be a 2007 debt issuance in the amount of \$12.715 million and a 2009 debt issuance in the amount of \$8.1 million. The FY 2005-06 General Fund budget is \$58,624,177, and the total Fund Balance required is \$8,207,385. The undesignated Fund Balance is \$13,164,139, and the amount available to be transferred to the Capital Reserve Fund is \$1,860,060. Because \$77,949 for budget ordinance amendments have

been done, the partial funding for the bonds approved November 2004 in the FY 2006-07 budget is \$518,745, and \$2,500,000 seed funding is needed for the Fleet Reserve Fund, it is recommended that \$1,860,060 be transferred to the Capital Reserve Fund.

City Manager Bowers reviewed the proposed Fleet Replacement Program by explaining that it allows for “planned” replacements through annual budget appropriations. The advantages of a Fleet Replacement Fund are that it:

- Minimizes fluctuations in annual budget
- Establishes manageable replacement cycles
- Improves the condition of vehicles, thus reducing maintenance cost
- Eliminates borrowing costs
- Eventually have more dollars for direct program expenses
- Improves overall financial position

The evaluation criteria to be used to replace fleet would be age, mileage, general overall condition, and maintenance. In order to determine how much would be needed for the Fleet Replacement Program, the estimated useful life would be established for each type of vehicle (example—four years for a Police Car, 15 years for a fire pumper and 10 years for a garbage truck). Then the anticipated replacement cost is determined (Police car--\$23,000, fire pumper--\$400,000; and garbage truck--\$100,000). The annual payment amount would be calculated by dividing anticipated replacement cost by expected useful life (Police car--\$5,750, fire pumper--\$26,667; garbage truck--\$10,000). The annual payment amount for each vehicle would be included in the departmental operating budget as a fixed fleet service cost. The purchase of the replacement vehicle would be made when appropriate with no need for a budget appropriation. The accumulated value of past amounts needed to replace all vehicles in the Fleet Replacement Fund is approximately \$9 million. The funding used for lease purchase was \$.56 million in FY 2000-01, \$1.82 million in FY 2001-02, \$1.02 million in FY 2002-03, \$1.65 million in FY 2003-04, \$2.55 million in FY 2004-05, and \$1.69 million in FY 2005-06. The last lease purchase payment will be in April 2011, and that will close out all lease purchase activity.

The budget schedule was reviewed, showing that the final budget packets are due by the staff to the Financial Services Department on February 8. A balanced Capital Improvement Program presentation will be presented to Council on March 6. A preview of the proposed City budget will be April 10, and presentation of a balanced budget will be May 11. The public hearing will be June 5. Consideration of adoption of the FY 2006-07 budget and approval of the FY 2007-08 plan is scheduled for June 8.

REVIEW OF 2005 GOALS

The Council briefly asked questions about some of the 2005 goals that were established by Council in January 2005.

2006 GOALS

The Council Members were asked to express their priorities for FY 2006. The items given by the Council were as follows:

DRAFT 2006 CITY COUNCIL PRIORITIES

1. Consider a false alarm ordinance
2. Look at creating a Neighborhood Commission (Diverse Group)
3. Become involved with the School System and Pitt Community College to provide technical skills for high school drop-outs
4. (As a part of Goal 6, Objective D, Action Item #1), put a closure to boarded up structures by acquiring properties that have excessive delinquent taxes and demolition fees
5. Develop gangs and youth programs
6. Encourage expansion of neighborhood planning
7. Bury power lines in neighborhoods
8. Create a comprehensive rental registration program
9. Provide citywide wireless service
 - cost of infrastructure/ongoing
 - implementation issues
 - user fees
10. Have more communication with the public on issues going to the Planning and Zoning Commission
11. Determine plans for moving forward on annexations
12. Create more downtown residential housing with historic architecture for all income levels
13. Have better promotion of bus service
14. Have better pedestrian crossings
15. Provide downtown wireless service to help promote revitalization
16. Support expanded community policing—City Manager/City Council
17. Enforce ordinances that are in effect

18. Fund public access tv or get out of it
19. Meet with bank leaders regarding Community Reinvestment Act
20. Televisе one additional board (possibly Planning and Zoning Commission)
21. Have a festival centered around Greenville’s history
22. Continue to support organizations working to reduce crime such as the Coalition Against Youth Violence
23. Partner with faith-based organizations and strengthen existing partnerships
24. Add to Goal #6 “Community Neighborhood Services”
25. Review mission and goals and provide financial support for the Human Relations Council
26. Economic Development
 - Contractors—tracking/encouraging the use of the minority workforce
 - Retention of businesses in the redevelopment areas
 - Encourage small business development
27. Promote better Recreation and Parks marketing efforts
28. Expand homeowner loan program
29. Create database of nonprofit organizations
30. Continue emphasis on diversity of our community
31. Support ongoing efforts of senior assistance services
32. Increase recycling
33. Continue existing ten goals
34. Address high utility bills

City Manager Bowers stated that staff will prepare the list and send it to Council to ensure that staff captured what the Council actually intended. Then staff will come up with objectives and action items for the goals that were established by Council and send them to the Council for a March meeting.

ADJOURN

Motion was made by Council Member Council and seconded by Council Member Craft to adjourn the meeting at 1:50 p.m. Motion carried unanimously.

Respectfully submitted,

Wanda T. Elks, CMC
City Clerk